

An integral/comprehensive/environmental/economic/auditing/legal solution for abandoned rigs and pipes on the Continental Shelf

Planck Foundation establishes Ocean Foundation with two full controlled subsidiaries: Rig Foundation and Pipe Foundation. EBN and her counter-parties will transfer the legal ownership plus the attached legal upkeep obligation to Ocean Foundation her subsidiaries. Ocean Foundation will create advisory committees of environmentalists and economists who will design the best environmental and economic removal solutions in cooperation with UN daughter organization IMO (International Maritime Organization).

By this EBN and her counter-parties are released from uncertainty on legal issues, uncertainty on balance sheet issues, the removal will be environmentally friendly and the guarantees will be used as equity in the sustainable energy investments, which also enables EBN and her counter-parties to transit gradually into renewable energy exploitation.

The transfer (maintenance and removal) fee they will pay is calculated on a weight component times an age component times a depth component. There will be a separate calculation model for rigs and for pipes, as they are very much different in existence. There will be additional terms such as clean delivery (in mutual understanding) and no beyond normal operation waste dump.

The removal fee will not be paid yet (as that would deliver extra finance demand for the stakeholders), but covered by a guarantee of the holding companies. Only 5% will be paid by transfer. This 95% non-payment delivers a risk of bankruptcy insolvency, but by the fact of that the guarantee is on the holding companies, this risk would be low. EBN should play a role in obtaining the right counter-party guarantees. Ocean Foundation and EBN have the same agenda in this.

The deal will be a template/model for all other Continental Shelf nations, for all other offshore energy nations of the world. The deal is based on a model earlier developed by Graafland in Planck Foundation for removal of abandoned old navy ships that pollutes harbour environments everywhere on the global significant, this was in 2005 and in cooperation with IMO by an full time liaison officer to them, targeted on handling on shipyards in Amsterdam. The deal therefore also will be a template/model for a similar deal with the Pentagon regarding the many ship wrecks in the USA harbours.

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